

SENATE BILL 1987

By Rose

AN ACT to amend Tennessee Code Annotated, Title 8, Chapter 34; Title 8, Chapter 35; Title 8, Chapter 36 and Title 8, Chapter 37, relative to early service retirement.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 8-36-308, is amended by deleting the section and substituting instead the following:

(a) Notwithstanding this part or any law to the contrary, a police officer, firefighter, or person in a position covered by the definition of emergency medical services personnel in § 68-140-302, who is a member of the retirement system, regardless of the person's, police officer's, or firefighter's participation in the legacy pension plan, the hybrid plan, or any other alternative plan, is eligible for early service retirement upon attainment of twenty-five (25) years of creditable service. A police officer, firefighter, or person in a position covered by the definition of emergency medical services personnel in § 68-140-302, is not required to retire pursuant to this subsection (a). This subsection (a) applies only to emergency medical services personnel, as defined in § 68-140-302, police officers, or firefighters who retire on or after January 1, 2020, and does not constitute a change in formula under § 8-36-702.

(b)

(1) For police officers, firefighters, or emergency medical services personnel, as defined in § 68-140-302, who retire on or after January 1, 2020, and prior to January 1, 2023, the retirement allowance, as provided under this section, must be computed as the actuarial equivalent of the benefit that would have been payable under a service retirement allowance.

(2) For police officers, firefighters, or emergency medical services personnel, as defined in § 68-140-302, who retire on or after January 1, 2023, the retirement allowance, as provided under this section, must be computed as the full benefit that would have been payable under an unreduced service retirement.

(c)

(1) A political subdivision employing a police officer, firefighter, or person in a position covered by the definition of emergency medical services personnel in § 68-140-302, who voluntarily chooses to retire pursuant to subsection (a) on or after January 1, 2020, and prior to January 1, 2023, may require the police officer, firefighter, or person in a position covered by the definition of emergency medical services personnel in § 68-140-302, to pay any insurance coverage otherwise provided to members who are one hundred percent (100%) vested in the service retirement benefit pursuant to § 8-36-201 from the time the police officer, firefighter, or person in a position covered by the definition of emergency medical services personnel in § 68-140-302, voluntarily chooses to retire pursuant to subsection (a) until the date that the police officer, firefighter, or person in a position covered by the definition of emergency medical services personnel in § 68-140-302, would have become one hundred percent (100%) vested in the service retirement benefit pursuant to § 8-36-201.

(2)

(A) A police officer, firefighter, or person in a position covered by the definition of emergency medical services personnel in § 68-140-302, who voluntarily chooses to retire pursuant to subsection (a) on or after January 1, 2020, and prior to January 1, 2023, is entitled to any insurance

coverage otherwise provided to members who are one hundred percent (100%) vested in the member's service retirement benefit pursuant to § 8-36-201 on the date that the police officer, firefighter, or person in a position covered by the definition of emergency medical services personnel in § 68-140-302, would have become one hundred percent (100%) vested in the service retirement benefit pursuant to § 8-36-201.

(B) A police officer, firefighter, or person in a position covered by the definition of emergency medical services personnel in § 68-140-302, who voluntarily chooses to retire pursuant to subsection (a) on or after January 1, 2023, is entitled to any insurance coverage otherwise provided to members who are one hundred percent (100%) vested in the member's service retirement benefit pursuant to § 8-36-201 upon attainment of twenty-five (25) years of creditable service.

(d)

(1) A police officer, firefighter, or person in a position covered by the definition of emergency medical services personnel in § 68-140-302, who voluntarily chooses to retire pursuant to subsection (a) on or after January 1, 2020, must receive, in addition to that member's retirement allowance under this section, a supplemental bridge benefit calculated in accordance with § 8-36-211(a)(1). The bridge benefit must not be paid retroactively.

(2) The bridge benefit must commence on the member's effective date of retirement under subsection (a) or on the first day of the month following the month the member reaches age fifty-five (55), whichever is later.

(3) The bridge benefit and any cost-of-living adjustments attributable to that benefit must cease on the first day of the month following the month in which

the member dies, or on the first day of the month following the month in which the member reaches the age of sixty-two (62), whichever occurs first.

(4)

(A) Notwithstanding this subsection (d), the bridge benefit must not exceed twenty-two and one-half percent (22.5%) of the member's average final compensation. Such limit does not apply to any cost-of-living increases to which the member is entitled under subdivision (d)(4)(B).

(B) Any retired member covered by this subsection (d) is entitled to receive an adjustment in the retiree's bridge benefit pursuant to § 8-36-701. Any such adjustment to the bridge benefit must be computed separately from the member's service retirement allowance.

(C) Sections 8-36-102 and 8-36-208(a) do not reduce or eliminate the bridge benefit provided by this subsection (d), and the benefit must not be reduced as a result of any optional retirement allowance selected by the member pursuant to § 8-36-601.

(5) All costs associated with providing the bridge benefit must be paid by the respective state agencies and political subdivisions for which the service covered by this section was rendered.

(e) Subsection (c) does not apply to a municipality, as that term is defined in § 7-84-103, that is a member of the state retirement system and provides health insurance benefits in accordance with chapter 27, part 6 of this title.

(f) For purposes of this section, "police officer" means a sheriff, sheriff's deputy, or police officer employed by this state, a municipality, or political subdivision of this

state whose primary responsibility is the prevention and detection of crime and apprehension of offenders.

SECTION 2. This act takes effect January 1, 2023, the public welfare requiring it.